

## OVERSIGHT BOARD AGENDA STAFF REPORT

**TO:** Honorable Chair and Members of the Oversight Board

**FROM:** Michael Huntley, Staff liaison from the Successor Agency to the former City of Montebello Community Redevelopment Agency

**SUBJECT:** That the Oversight Board receives the low and moderate income housing fund due diligence review (Housing Audit), convening a public comment session and setting a date to vote on said matter.

**DATE:** September 27, 2012

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### **BACKGROUND**

The Montebello Successor Agency (“**Successor Agency**”) is required to undertake a number of actions pursuant to Part 1.85 of the Community Redevelopment Law (commencing with Health & Safety Code Section 34170), including winding down the affairs of the former Community Redevelopment Agency of the City of Montebello.

Pursuant to Health & Safety Code Section 34179.5, the Successor Agency must complete certain audits and reviews of its funds and assets, including but not limited to a due diligence review of its Low and Moderate Income Housing Fund (the “**Low-Mod DDR**”).

Pursuant to Health & Safety Code Section 34179.6(a), by October 1, 2012, the results of the Successor Agency’s Low-Mod DDR must be provided to the City of Montebello Oversight Board (“**Oversight Board**”) and other public agencies.

Pursuant to Health & Safety Code Section 34179.6(b), upon receipt of the Low-Mod DDR, the Oversight Board must convene a public comment session to take place at least five business days before the Oversight Board votes on whether to approve or reject the Low-Mod DDR.

On September 26, 2012, the Successor Agency directed staff to provide the results of its Low-Mod DDR (Housing Audit) to the Oversight Board.

### **DISCUSSION**

The intent of this Special Meeting is for the Oversight Board to receive the low and moderate income housing fund due diligence review (Housing Audit), convene a public comment session for a period of five days, and to set a date to vote on this matter. As the Oversight Board is aware, Successor Agency staff is working through the Due Diligence Review procedures as required in AB1484. Staff apologizes for the short time frame for review of the draft audit, but due to the statutory deadlines established in AB1484, staff continues to make every effort to comply with the new requirements. Staff has attached the draft Housing Audit prepared by Vasquez and Company, LLC for your review and comments. Staff is also requesting that the

Oversight Board hold a special meeting on October 3, 2012 for the purpose of holding a vote on whether to approve or reject the Low-Mod DDR, in conformance with the requirements of Health & Safety Code Section 34179.6(b).

### **RECOMMENDATION**

It is staff's recommendation that the Oversight Board;

1. Receive the low and moderate income housing fund due diligence review (Housing Audit);
2. Convene a public comment session for a period of five days; and
3. Set a meeting date to vote on the Low-Mod Due Diligence Review.

### **ATTACHMENTS**

Housing Audit  
Resolution